

To: UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO
HONORABLE JUDGE LAURA TAYLOR SWAIN

In re: THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO
as representative of
THE COMMONWEALTH OF PUERTO RICO, et al.,

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PROMESA TITLE III
Case Num. 17 BK 3283-LTS

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This filing relates to the Commonwealth, ERS, HTA and PBA.

Response to FIVE HUNDRED SEVENTIETH OMNIBUS OBJECTION for Walter Timothy Cruz González claim number 18709 under case number 17 BK 03283-LTS.

To the Honorable United States District Court Judge Laura Taylor Swain:

I, Walter Timothy Cruz González, respectfully object to the FIVE HUNDRED SEVENTIETH OMNIBUS OBJECTION filed against claim # 18709 based on the following factual and legal bases.

1. The Department of Family has leased, on a continuous and interrupted basis since the mid 1990's, the facility used as an elderly day care center known as CAMPEA in Arecibo. This facility has been paying \$2,450.00 on a monthly basis since at least 2016. Consequently, the Department of Family should be paying \$29,400.00 on a yearly basis

for the lease / rent of the CAMPEA in Arecibo facility. As an example, see the monthly check stub from May 23, 2016 in Attachment # 1.

2. The Department of Family did not pay the rent of the CAMPEA in Arecibo facility in 2017. No payment nor informative return was received from the Department of Family to be reported on the individual income tax form for 2017 shown in Attachment # 2. Only the income of the rented apartment to the municipality of Arecibo is included in the individual income tax form. The informative return received from the Municipal Government of Arecibo is included in Attachment # 3.

3. For 2018, from the \$29,400.00 yearly lease the Department of Family only paid \$9,246.72, see informative return for 2018 in Attachment # 4. Please observe that the informative returns up to 2018 are in my mother's name Maria González Chacón.

4. For 2019, the department of Family only paid \$ 26,950.00 of the \$29,400.00 yearly lease cost. It is important to point out that as a responsible son I supported my mother's business for years but when her medical condition deteriorated I began to manage all aspects of it which included renewing contracts. Consequently, payments for the CAMPEA Arecibo facility started to come under my name since 2019, please refer to Attachment # 5 which shows the informative return for the CAMPEA Arecibo facility paid in 2019. Please notice that this informative return is under my name and the Department of Familiy uses my Social Security Number to identify the Payee's Information.

5. The reason for the objection by the debtor observed in Exhibit A Doc # 24050-1 page 4 of 9 states:

"Proof of claim purports to assert liability on the basis of submitted invoice(s). Based on declaration attesting to a reasonable review of the agency's books and records, there are no outstanding liabilities associated with invoice(s) totaling \$52,003.28 in the agency's system. Invoice(s) totaling \$1,896.72 were paid via EFT 00078686 on 5/18/2018."

6. As can be observed from the documents attached, during 2018 only \$9,246.72 were payed by the Department of Family for the CAMPEA in Arecibo facility. Therefore, in the year 2019 they should have payed \$49,553.28 (\$29,400.00 for 2019 + \$20,153.28 unpaid in 2018) but clearly that was not the case. Only \$26,950.00 were paid during 2019. Moreover, in 2017 the rent for the CAMPEA in Arecibo facility was not paid.

7. In addition, it is imperative to know that since 2005, I manage my father's facility in Arecibo which is also leased to the Department of Family. This facility is known as the Regional Warehouse in Arecibo. The Regional Warehouse in Arecibo monthly rent is \$4,166.67 for a yearly lease cost of \$50,000.04. For the year 2017 the Department of Family paid \$37,500.03 refer to informative return Attachment # 6. Please notice that just as in the CAMPEA in Arecibo facility since 2019 the Department of Family utilizes my Social Security number to ideintify the Payee's information.

8. For the following year 2018, the Department of Family payed \$62,500.05 for the Regional Warehouse in Arecibo. This amount is the \$50,000.04 yearly lease cost of 2019 + \$12,500.01 unpaid in the year 2018, refer to Attachment # 7.

9. For the year 2019, the Department of Family payed for the Regional Warehouse lease its \$50,000.04 as can be observed in Attachment # 8.

10. As per documents sent in this bankruptcy process, I submitted claim # 18709 on behalf of my mother. The use, on both facilities, of my Social Security number as sole Payee's identification by the Department of Family accounting organization, seems to have misled or caused confusion in this issue where payments made for the Regional Warehouse are being considered as made for the CAMPEA facility. Documents included, clearly show that there were payments made by the Department of Family during the period in question to Walter Timothy Cruz González for my father's Regional Warehouse facility while at the same time my mother's CAMPEA in Arecibo facility did not receive its due payments for years 2017, 2018 and 2019. It seems very likely that the Department of Family mistook funds paid for the lease of the Regional Warehouse as payments of the CAMPEA in Arecibo facility. The Department of Family must account those funds disbursed only to Maria González Chacón identified with SS 179-30-4206 during those years starting in January 1 2017 until December 30 2019.

11. The CAMPEA in Arecibo facility has been leased to the Department of Family in a continuous and interrupted manner since the mid 1990's. The Commonwealth of Puerto Rico at no time stopped utilizing the facility despite knowing that they were not paying the rent for months. The government can not utilize private facilities without proper payment. This would constitute an unjust enrichment by the government. Likewise, in its alternative, the government can not take a facility without due process as this is considered a taking by the government.

WHEREFORE the claimant respectfully request this Honorable court denies granting the FIVE HUNDRED SEVENTIETH Omnibus Objection in regards to claim # 18709.

May 3, 2023

Respectfully submitted,



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CERTIFICATION OF SERVE

I, Walter Timothy Cruz González, certify that today, Wensday May 3, 2023 I sent via certified mail the attached response to the Five Hundreth Seventieth Omnibus objection regarding claim # 18709. The attached document was sent to all three required addresses for the Clerk's Office United States District Court, Counsel for the Oversight Board Proskauer Rose LLP and Counsel for the Creditors' Committeee Paul Hastings LLP as detailed in doc# 24050-19 filed on 4/20/23.



Walter T. Cruz González